

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Kelly Cooper, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Charlie Pierce, Mayor *CP*
Max Best, Planning Director *MB*
Marcus Mueller, Land Management Officer *mm*

FROM: Bryan Taylor, Land Management Agent *BT*

DATE: April 9, 2020

RE: Ordinance 2020-17, Authorizing a Lease to New Cingular Wireless PCS LLC for Approximately 1,600 Square Feet of Borough Land in Kenai for a Communications Site (Mayor)

New Cingular Wireless PCS, LLC (New Cingular), a Delaware Limited Liability Company, has submitted an application for a negotiated lease of a 1,600 square-foot area located within S1/2SE1/4NW1/4, Section 31, T. 6N., R. 11W., S.M. Kenai Recording District, Third Judicial District, State of Alaska for construction and maintenance of a communications tower. The eastern half of this parcel contains the campus of Kaleidoscope Elementary School. The lease agreement includes the following terms:

- An option term of one year in which the lessee may investigate the site and pursue any needed authorizations. The lessee may choose to exercise the option to lease at any time during the option term. Consideration for the option is \$3,500.
- For the lease, there is an initial rental rate of \$1,400 per month that will increase annually by 2.5%.
- An initial term of five years, with the option to renew the lease for four additional five-year terms.
- For any sublessees, a revenue share of 33% of sublease rent to KPB.
- Requirements for a perimeter fence and gate installation around leased area with buffer landscaping.
- An easement to the tower for 24-hour site access for maintenance and emergency purposes.

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April 9, 2020

To: Assembly President

RE: Communication Site Lease

New Cingular originally requested a location directly adjacent to the Kaleidoscope Elementary School campus. The KPB coordinated with the school principal and KPBSD staff regarding the location. New Cingular agreed to move the site to the west into the forested area to provide a buffer between the site and the school. The lease agreement would also require buffer landscaping be installed around the perimeter of the lease area.

This ordinance would authorize the mayor to enter into the lease agreement. Revenue from the lease would support the borough's Land Trust Fund.

Your consideration of this ordinance is appreciated.